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STATE FOR NEA, NEA/IPA, NEA/PPD

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JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

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E.O. 12958: N/A TAGS: <u>OPRC KMDR IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

¶1. Mideast

¶2. Iran

Key stories in the media:

The media quoted President Obama as saying yesterday on CNN-TV that the U.S. has Qabsolutely notQ given Israel a green light for a possible attack on IranQs nuclear facilities. The President said

that Vice President Joe Biden had simply been stating the Qcategorical factQ that Qwe canQt dictate to other countries what their security interests are. What is also true is that it is the policy of the U.S. to resolve the issue of IranQs nuclear capabilities in a peaceful way through diplomatic channels.Q Media quoted Adm. Mike Mullen, the Chairman of the Joint Chiefs of Staff, as saying yesterday that such an attack and TehranQs acquisition of nuclear weapons would be similarly destabilizing. Israel Radio quoted Secretary of State Hillary Clinton as saying in an interview with a small Venezuelan TV station that strong sanctions must be imposed on Iran.

Yediot reported that yesterday DM Ehud Barak told the restricted cabinet that significant progress has been reached in efforts to bridge the gap between the U.S. and Israel regarding a construction freeze in the settlements. Maariv quoted Barak associates as making similar remarks. Maariv reported that Barak told the ministers that the U.S. has agreed that construction that has started will not be Yediot quoted ministers as saying that BarakQs comment constituted wishful thinking and that no progress has been made. However, Yediot reported that Barak told the ministers that the U.S. is inclined to agree to the completion of 700 houses in areas where construction of 2,500 apartments is in advanced stages. The newspaper also quoted Barak as saying that a discussion was held on the resumption of negotiations with Syria and Lebanon under American auspices. Yediot cited BarakQs belief that the pattern of dialogue with the U.S. has shifted from rude expressions to a friendly dialogue of strategic partnership. However, Barak indicated that a formula for the definition of the scope and scheduling of a construction freeze has not yet been found. Makor Rishon-Hatzofe quoted an unnamed QseniorQ cabinet minister as saying that Barak did not get anything in exchange for the outposts he agreed to dismantle. The Jerusalem Post reported that a senior State Department official Qwho is familiar with George MitchellQs thinkingQ told the daily: QWe are not expecting that the Israelis do something for nothing.

HaQaretz quoted Egyptian sources as saying that negotiations on a deal for the return of Gilad Shalit will pick up speed in the coming days, with talks resuming where they left off during the Olmert administration. All media reported that Egyptian President Hosni Mubarak told President Shimon Peres during their meeting yesterday that Shalit is apparently healthy, and that he hopes that a deal will be reached soon. Yediot quoted senior sources in Cairo as saying that Mubarak based his comment on senior Egyptian officers who visited Gaza. Mubarak also urged Israel to freeze settlement construction and reach a final-status agreement with the Palestinians on the basis of the Arab peace initiative. The Jerusalem Post quoted Peres as saying, following his Cairo visit, that talks with Palestinians and the Arab world will resume soon. Maariv cited the belief of senior Israeli sources that an QexhaustedQ Mubarak will retire before the end of his term in two years and pass the reins of power to his son Gamal.

Israel Radio reported that today the ministerial committee in charge of easing the condition of the Palestinians in the territories will examine four long delayed projects in the PA: two industrial zones — in Bethlehem and Jenin — an important agricultural project in Jericho, and a tourist site at a baptismal site along the Jordan River. The committee is composed of PM Netanyahu, DM Barak, FM Avigdor Lieberman, and Regional Development Minister Silvan Shalom. The radio later reported that the committee decided to keep the Allenby Bridge Crossing with Jordan open 24 hours a day, as opposed to the present situation, when it closes at 20:00 hours.

Leading media reported that Haggai Hadas, formerly number three in the Mossad and the personal representative of PM Benjamin Netanyahu in the negotiations for ShalitQs release, is gradually emerging as a central figure in the bizarre case of Life Keeper, a medical device company. According to HaQaretz, Hadas appears to have been the person who brought together Arik Klein, the "inventor" of the device, and the other partners, especially the director of the company, Dr. Gavriel Picker. The link between Picker and Hadas is that they are both friends of the PM. Hadas, who is on the company's board, continued Tuesday to defend the device -- which warns of a heart attack half an hour beforehand -- and its inventor, even after concerns were voiced in the media regarding its reliability and the supposed billion-dollar deal with a British firm

was revealed to possibly be a hoax.

Leading media reported that the Foreign Ministry summoned Ramiro Cibrian-Uzal, the Ambassador of the EU Commission to Israel and upbraided him over the EUQs claim that the settlements choke the Palestinian economy.

The Jerusalem Post reported that today hundreds are expected to attend a burial ceremony at the evacuated West Bank settlement of Homesh for holy books allegedly burned by local Arabs. The event is part of a campaign that has restored and maintained a yeshiva in the former settlement.

HaQaretz quoted Yaakov Ganot, a key Interior Ministry official, as saying that the Tel Aviv Municipality exerted "heavy pressure" to win approval of a national policy requiring the removal of illegal immigrants and refugees to areas outside the center of the country.

Leading media reported that, a day after President Peres said that Syria could not expect to receive the Golan from Israel on a silver platter, Syrian FM Walid Muallem said that his country actually wanted the territory on a Qgold platter.

Israel Radio quoted a senior officer in the Lebanese Army as saying that a Lebanese colonel who was arrested on suspicion of spying for Israel escaped last week.

Citing the AP, The Jerusalem Post quoted Judge Richard Goldstone, head of the UN Human Rights CouncilQs fact-finding mission on alleged violations of international human rights and humanitarian law violations during Operation Cast Lead, as saying yesterday that the probe is in its final phase, but that it is too soon to conclude that war crimes were committed in the operation.

The Jerusalem Post reported that, just weeks before the 15th anniversary of the bombing of AMIA, the Buenos Aires Jewish community center, the cityOs mayor, Mauricio Macri, has appointed a police chief -- Jorge Palacios -- who was investigated for allegedly concealing evidence in the probe into the bombing.

Maariv reported that JordanQs youth soccer team will soon arrive in the country to play against its Israeli counterpart.

The Jerusalem Post reported on the crowded Fourth of July ceremony at the U.S. AmbassadorQs residence, which was attended by President Peres, PM Netanyahu and his wife Sara, several cabinet ministers, and three former U.S. ambassadors to Israel. The newspaper noted that the Netanyahus stayed on to watch the fireworks.

11. Mideast:

Block Quotes:

II. "The Left Went to the Beach"

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz (7/8): QThe more time passes, the more it appears that the demand for a freeze on settlement construction was meant to represent a distancing from Israel, as a way for the United States to improve relations with the Arab world. Obama squeezed out of Netanyahu support for a two-state solution, and could have made do with that as the basis for a diplomatic process. But he converted the freezing of settlements into a matter of honor, and every American concession, even over a building frame, will be interpreted as the President giving in. When the argument is about who is stronger, not an issue's substance, whoever calls on Netanyahu to give in to Obama will be accused of not being a patriot. And the Israeli Left does not want to find itself in that situation.

"They Don't Want a State" II.

Chief Economic Editor and senior columnist Sever Plotker wrote in the mass-circulation, pluralist Yediot Aharonot (7/8): QIs it not self-evident that the ethos of political sovereignty has guided the dreams and struggles of the Palestinian people since the remote past? No, it is not self-evident... Arafat was the only prominent Palestinian leader who appeared to have changed his original position and aspired to a Qtwo-state solutionQ.... [Prominent Middle East affairs experts Hussein] Agha and [Robert] Malley on the left [who wrote an essay in the June 11 issue of The New York Review of Books], and [Benny] Morris's book [QOne State, Two StatesQ] on the right, project deep pessimism. The Palestinians will not consent to partition or share the land. They continue to adhere to the revolutionary dream of Qnational liberation,Q and until this unrealistic liberation takes place, they prefer to live as a non-state national entity, which bears no obligations and is always a victim in its own eyes and in the eyes of the world. As for us, who live here in the oppressive reality of the absence of a solution, it remains for us only to hope that the learned Middle Eastern affairs experts are wrong.

III. "The New American Dream"

Moshe Karif, one of the founders of the Mizrachi [Sephardic] Democratic Rainbow, wrote in Yediot Aharonot (7/8): Qone may claim that Obama is naive, but it cannot be denied that his Cairo speech ignited a spark of hope from Beirut to Tehran, where young people fought for the image of their country and sowed the seeds of change to come... Israel has embraced the American model -- its culture, its economic system, and the U.S. flags on its flags on [IsraelQs] Independence Day. America is now showing us its political maturity. But, as usual, it will take Israel a long time to adopt the new rules. When, years ago, Israel chose to be an American fortress in the heart of the Middle East, it could not imagine that the bossQs middle name would be Hussein. Israel has to live with this. If Israel wanted to get away from the Middle East and take on a Western appearance, our ally has given us the first oriental president.

IV. "False Familiarity in Xinjiang "

The conservative, independent Jerusalem Post editorialized (7/8): QJust about anyone with a computer or a television has a firm opinion about Qwhat Israel must doQ to address Palestinian grievances. Familiarity, even if rooted in ignorance, makes everyone an instant expert. The Xinjiang unrest, bringing new players into the media spotlight, leaves most people more befuddled than opinionated, though not averse to blaming the authorities by default. The side that wears uniforms is always at a public relations disadvantage when it is confronted by images of wailing women and children in traditional garb. In days, some media coverage has planted the germ of the idea that Xinjiang is East Turkestan. We Israelis might want to recall Xinjiang the next time we feel the world media is being uniquely harsh on us. And perhaps a more humble Chinese leadership will reflect on how easy it is to turn Qblack into whiteQ before jumping on the anti-Israel bandwagon.

<u>1</u>2. Iran:

Block Quotes:

"It Is Israel's Decision"

Conservative columnist Maj. Gen. (res.) Yaakov Amidror wrote in the independent Israel Hayom (7/8): QThe U.S. will try to engage Iran in dialogue, although under the new conditions after the [Iranian] elections it is also clear to the President that the chances of success are very low. He is unwilling to give up the attempt to conduct a dialogue on the one hand, and to be perceived as having encouraged Israel to attack on the other, although he recognizes its right to do so. He would prefer that an Israeli strike not take place, but is unwilling to accept responsibility for its security if he should fail and Israel should refrain from attacking because of the United States. This means that Israel does not have a green light to attack Iran, but also does not have a red light. It is Israel's decision. The U.S. will not assist it, but will also not hamper it. The responsibility rests solely with the Israeli

government, which is (more or less) what the President and Vice President have said. $\,$

CUNNINGHAM